

# Gulf Prosperity

*It is no coincidence that struggles over control in Louisiana and Texas were keys to the outcome of both Conventions in 1952. These two states especially, in the regions bordering the Gulf, have developed a rich new empire, as dynamic as any this country has seen, and what its future is to be is for a historian to decipher. OSCAR HANDLIN is Associate Professor of History at Harvard and the author of Boston's Immigrants, Commonwealth, and This Was America. His fourth book, The Uprooted, was awarded the Pulitzer Prize for History in 1951.*

## SECOND CHANCE FOR THE SOUTH

by OSCAR HANDLIN

### 1

SINCE 1940 a revolution hardly noticed has been transforming a vital sector of the nation. In a great arc along the Gulf of Mexico from Pensacola in the east, through Mobile, Baton Rouge, Beaumont, and Houston, to Corpus Christi in the west, a New South has come into being. Urban and industrial, it has moved away from the agrarian past of the region. Yet this development has not taken on the forms that manufacturing, in earlier decades, imposed on the towns of Alabama or Georgia or North Carolina.

Statistics supply a dramatic indication of the magnitude of the transformation. Between 1940 and 1950, while the population of the rest of the state remained relatively stable, that of Mobile leaped upward by 64 per cent. In the same decade, Baton Rouge, from a city of 34,000, became one of 126,000. Beaumont and Corpus Christi have nearly doubled in size, Texas City and Lake Charles tripled. Houston added 212,000 to its 384,000 residents; and on prairies rose the thriving new cities of Pasadena and Baytown, Texas. These places continue to grow, and every index of productivity and income is evidence of their capacity to expand.

These exciting changes have supplied a dynamic part of the South with the economic resources for solving the ancient problems of the area: poverty, political corruption, and social inequality. But the question remains: Are there the will and the human ability advantageously to apply those resources?

The land has always been rich, and its richness has long been exploited. Fertile soil and a long growing season have given its cotton fields an immense advantage and furnished its ports with a staple export. Today great cotton presses line the streets of Galveston, and the gigantic Anderson plant dominates a section of Houston. Other products from the lush back country add now, as in the past, to the prosperity of the towns along the Gulf. Louisiana sugar and rice move through New Orleans, and Texas beef through Houston. For several

decades also sulphur, alkali, and a variety of chemicals have been swelling outgoing cargoes.

As if these were not enough, fortune in 1901 added still another good that soon outweighed all the rest. The dramatic turn in the history of the region came that year when Spindletop blew in. This mammoth gusher began the process of extracting the enormous resources of oil from the sub-soil. The flow has continued for fifty years and shows no sign of slackening. The yield rises consistently, yet the opening of new fields — most recently, those offshore, the Tidelands — keeps replenishing the proved resources. The pipe lines draw the precious oil out of the interior to the coast and through the cities where it is shipped to the world in ever-increasing volume.

The history of the district thus shows plentiful evidence of growth and prosperity. But until less than two decades ago it was growth of a very limited order. The economy was colonial; it produced a number of great staples exported to be processed elsewhere. The capital to finance and the skill to manage these enterprises came from outside the region; native labor was used only in inferior capacities. Despite the emergence of the exotic Texas millionaires, the wealth produced here seemed, like the oil, to flow away rather than to remain to enrich the people who brought it forth.

The last decades for the Gulf cities have been not merely years of rapid development; they have also been years in which the region has moved out of the colonial into a new industrial phase. It no longer simply extracts the products of the earth; it now processes and manufactures them as well. Cattle still graze in the shadow of the refineries, but the whole tone of the area is urban rather than agrarian.

Driving up from Galveston toward Houston, on roads that here and there border the Bay and the great ship channel, the evidence of change is inescapable. The constant hum of unseen activity fills the air, and occasionally a remote spurt of

flame is visible. Then, out of the flat, uninhabited plain, there suddenly rise the massive bulks of the new plants, in Lamarque, Texas City, La Porte, Baytown, Pasadena, and Houston. Often the great looming shapes can be seen only in distant outline; but the private roads lead down to Monsanto, Sinclair, Esso, Du Pont, Shell, Diamond Alkali, Phillips, Ethyl, Pan-American, and Republic. So too, out of Baton Rouge the same names along the Scenic Highway point to the contorted rectifiers and bulbous tanks that seem to have sprung out of a science-fiction writer's dream of the future.

A variety of factors has been responsible for the change. Since the First World War, there had been tentative experiments looking toward the production of synthetic materials from petroleum. In the 1930s these efforts reached the point at which manufacture was technologically and commercially feasible; and a new petro-chemical industry producing nylon and plastics began to thrive around the Gulf while the rest of the nation was still deep in the depression.

In the location of the new plants, there was an obvious advantage in proximity to the oil itself; and the East Texas fields providentially came in at just the right moment. In industries that operated under the open sky, a warm climate and space were also advantages, and ample supplies of natural gas enabled the region to generate power cheaply.

The outbreak of the Second World War accentuated the demand for petroleum products. Plastics and other derivatives were as necessary as the refined oil itself. Furthermore, disruption of the supply of natural rubber from the Far East forced the government to artificial substitutes, and the most convenient process derived synthetic rubber from petroleum. The urgencies of the war minimized every other consideration. The Gulf region therefore profited from the location of a number of great enterprises almost wholly supported by war orders and built with the aid of Federal capital.

Finally, the political context was favorable. The New Deal had, from the start, been solicitous over the condition of the economically retarded South and had hoped industrialization might provide some relief. At the same time, Democratic Party politics that put Jesse Jones and a group of other Texans in key Congressional and administrative posts gave a high priority to measures likely to redound to the advantage of the Gulf states. The result was a full-blown industrial revolution in little more than a decade. The handling of cotton or sugar or oil is now far less important than manufacturing.

## 2

THE character of the change and the times in which it came spared the new towns many of the difficulties of transition. The petro-chemical industries do not depend upon a cheap, unskilled proletariat. The

machines or, rather, the successive refining devices call for relatively little labor compared with the value of the product. Apart from the construction workers who build the equipment, the plants need mostly technicians and maintenance and service employees who are fairly well paid.

The whole development came in a period of rising prices, of union organization, and of a scarcity of manpower. Wage rates had to be favorable and working conditions good to attract newcomers, to hold them against the temptations of other employers and other regions, and to keep out aggressive labor organizers. In any case, the wage factor was relatively unimportant since the government was one of the chief consumers and all prices were rising.

The attractive power of high wage rates drew the necessary hands out of the rural countryside. Sometimes these former sharecroppers commute; from within a radius of almost 40 miles, for instance, they travel daily to Baton Rouge. Often, however, they leave the farm for good; in many places, fertile acres that once grew cotton have been turned into pastures for want of tenants to till them. The supply is elastic; between jobs men can go back to the country without burdening the industrial communities in which they work.

The new hands have been a remarkably vitalizing factor in the Southern economy, not simply as wage earners but also as consumers of goods formerly far beyond their reach. Every worker who left the cropper's shack for the city developed a new and stimulating desire for a host of products — for new housing, for respectable clothes, for a dependable car, and for a multitude of objects with which urban living made him familiar. The move from the farm opened up an endless series of fresh demands: a diversified diet, furniture, sheets on the beds and curtains at the windows. And dependable pay checks make all these available.

The implications of these changes, therefore, extend far beyond the workers in the new factories. Mounting demands encourage a host of service and construction industries as well as the whole range of distributive enterprises that supply the modern metropolis. The employees of the oil or rubber or chemical plants have benefited, but so have the tailors and grocery clerks, the carpenters and electricians, the auto mechanics and bus drivers. In a decade, retail sales in Houston rose 279 per cent.

Prosperity also radiates to the whole Gulf area. The migration to the cities has relieved the pressure of excess agricultural labor on the farms. Those who commute from rural homes take back wages that transform the way of life of the Southern countryside. Close connections with the city have brought new standards of consumption to the rural regions. Through the back country of Texas, Arkansas, Oklahoma, Louisiana, and Alabama, the television aerial waves triumphantly; and though

its owner may still live in a dilapidated shack, a shiny car alongside shows that this population is finding the way out of its hopeless poverty.

Industrialization did not damage the Gulf cities as it did the older urban centers of the South. Here are not the squalid slums of Birmingham or Atlanta. On the contrary, the sprawling communities built in haste, in a period of wartime shortages and high prices, nevertheless escaped the most obvious evils of rapid growth.

The outward features of Houston and Baton Rouge reflect their inner prosperity. Space has not been a limiting element. Earlier cities huddled within the narrow boundaries set by the available facilities of public transportation. Their residents lived in crowded slums to be near the morning's work. The Gulf cities spread luxuriantly outward. The plains are abundantly there and the automobile gives everyone mobility. Houston covers 162 square miles. San Francisco with a larger population is confined to 45 square miles, and Manhattan's 2 million crowd into 22 square miles.

The tenement therefore does not exist in these new Southern centers. Even in a city as large as Houston the multiple family dwelling is unusual. Part of the population does live in flimsy cottages, without baths, and on unpaved streets. In the neighborhood of the ship channel and northeast of the central business district, Negroes, Mexicans, and laboring whites occupy primitive ramshackle huts without conveniences of any sort. But the poorest accommodations are generally in one-family houses surrounded by little plots of their own.

Prosperity has eased the solution of many other urban problems. The growth of population has, for instance, put pressure on the schools; in many districts temporary structures in the yards house the overflow of pupils from buildings completed only a few years ago. But the buildings themselves are new and well constructed and reflect the material well-being of the communities. The De Zavalla School in a Mexican slum would put to shame the ancient buildings of many a New England city.

### 3

LESS visible but more portentous are the strains of human adjustment. The new cities are not troubled, as the old were, by the diversity of immigrant inhabitants. Their population is drawn almost entirely from their own back country. But they are not thereby spared the tensions and disorders rapid change produces.

The residents of the new cities, only a few years off the farm, have brought with them a pattern of traditions and assumptions which they attempt to apply to the unfamiliar circumstances. Their hopes and fears, far less tractable than their outward manners, will determine the use their society makes of its prosperity.

In Foley's, Houston's great new department store, the shining escalators move a stream of riders from floor to floor. A neat plaque at each landing warns the customers their children must not ascend the escalator barefooted.

In Baton Rouge, in sight of the new state capitol and the new high school stadium, the revivalist's tent spreads wide behind the assuring sign: "Christ heals body and soul." Under "one of the world's largest gospel tents," in Beaumont, A. A. Allen's "faith clinic" cures blindness, deafness, cancer, and epilepsy, while "arms and limbs" are "straightened instantly by the power of God!"

There is pathos in these reminders that the habits of an agrarian society do not simply disappear in the move to the city. Indeed, loneliness among strangers often leads the newcomers to clutch at inherited assumptions, to cherish familiar ways of thinking. Particularly in the South!

A surface optimism characterizes the Gulf cities; after all, within the memory of living men these were empty plains. The depression was not felt here as it was in other parts of the country, and confidence in the potentiality of growth everywhere engenders the boisterous enthusiasm that flings skyscrapers up in the prairie as a kind of gesture.

But beneath the exuberance lurks a gnawing sense of uneasiness. Precisely because the wealth and wages are new, those who hold them are unsure of possession. Were the windfall riches really earned? The same luck that brought in an oil well might shortly dry it up. The fabulous job, with a barely understood function, might end as abruptly as it began. In a sense, all these people move about, like the workers in the refineries, not certain but that a single lit match might blow up the whole works.

These doubts are often expressed in the ritualistic reiteration that agriculture is still the source of the region's wealth and must be stimulated and protected. The same grasping at certitudes puts a strong emphasis upon the homely virtues, upon fundamentalist religion, and upon abstinence and piety. Among the measures pressed upon the Texas legislature this spring were acts to ban beer advertisements on TV, to strengthen the marriage laws, and to suppress books and magazines with suggestive covers.

Generally, it is most comfortable to retreat within a familiar group. It is not only their spatial spread that gives these cities the appearance of being all suburb; more important is the evident desire to minimize contacts with strangers. On another level, the same wish emerges in exaggerated local patriotism; now and then the display of Texan and Confederate flags raises the question of the extent to which these people really identify themselves with the rest of the country. Certainly much of the intensity of feeling on the Tidelands issue originated in such local sentiment.

There is a disturbing streak of violence in these places. Despite its prosperity, Houston marks up more than 130 murders a year, a record that is evidence of lack of control and unwillingness to accept the new terms of life. A reluctance to live in the changing world is revealed in the incessant longing for the good old days and in the occasional gullibility of wealthy men who become involved in attempts to put a halt to the pernicious process of change. Out of Fort Worth, for instance, Judge Armstrong's foundations labor, with desperate lack of success, to defend with his millions an Anglo-Saxon ideal, 1850 style.

Retreat, however, will not further but may retard the solution of the historic problems of the South. The Gulf cities are changing, and in the transformation, they have the opportunity to outgrow the racial, political, and economic difficulties that, in the past, determined the developments of Southern society. If they succeed, the effects will be beneficial for the country as a whole. If they fail, it will not be through want of resources, but through the inability of their people to make the most of the potentialities of the new society.

Need the Negro remain a disturbing element, degrading the standard of life and labor of all? The inherited patterns of segregation and the exclusion from politics still exist, though they run counter to the basic democratic assumptions of the dominant group. But the terms of segregation are significantly different. Forces from outside the region have weakened the lines of separation. If Negroes can ride in the same coaches as whites on interstate trains, it becomes increasingly difficult to keep them apart on local transportation. If Negroes are eligible to enter white professional schools, it may be more difficult to keep them out of the elementary ones.

The injection of the Mexicans has also unsettled the pattern. Although they form a substantial part of the labor force in Houston and elsewhere, they occupy an unclear and anomalous position. They are treated as inferiors, yet cannot be treated as Negroes, particularly in a community sensitive to the necessity of preserving the good will of oil-rich Mexico. They occupy a shifting middle ground, and their mere existence points to the difficulty of establishing a fixed racial classification in an urban society.

Most important, prosperity has eased the adverse effects of segregation. In Houston, Negro children still attend separate schools, but the Negro schools are commodious, as neat and pleasant as the white. Negroes still occupy separate residential quarters, but almost everywhere those quarters are up to the standards of those of whites of the same economic level, and public housing has assisted both races. The very newness of the place is a help; only a small part of the population is compelled to settle for outmoded quarters. Since there is still enough to go round, the advantages of high industrialization

spread to the colored as well as to the white sectors of the population.

In the long run, therefore, industrialization may well permit these cities to work out an adjustment. The percentage of Negroes in their population has been declining. What if separate districts should continue to house Negroes and whites, and their children consequently attend separate elementary schools not through the compulsion of law but, as in the North, through an evolving pattern of accommodating practices? If the accommodations are genuinely equal, as they can be, and if they are unaccompanied by the stigma of inferiority, as they should be, there is hope that the embers of long resentments may at last begin to cool.

#### 4

EASIER race relations will permit a more realistic approach to the weakness of state government. Texas and Louisiana have long suffered from inefficient — and at times corrupt — regimes. The Civil War and Reconstruction left them with one-party systems and without means through which an opposition could assert itself. An undeveloped agrarian society, under those conditions, tended to alternate between periods when it tolerated the control of Bourbon reactionaries and periods when it turned in desperation to demagogic radicals.

The growth of cities at first multiplied these difficulties. The Bourbon bosses feared the possibility that labor might gain a voice in government; the rural following of the Populist radicals hated and distrusted the city. Representation in the state legislatures, therefore, became increasingly undemocratic. In Texas there was no redistricting after 1920, so that the growing cities are still deprived of their proper voice in the legislature. Political control remains heavily weighted in favor of the rural regions. This imbalance has encouraged powerful lobbies which protect special interests, and it has also prevented effective political organization on behalf of the residents of the industrial communities.

Yet the political situation is profoundly unstable. It was no coincidence that struggles over control in Louisiana and Texas were the keys to the outcome of both national conventions in 1952. That the two states deserted the Democratic Party that year also signified a break with traditional voting habits. It may reflect the appearance of a new "middle class," less bound by the attitudes of the past and swayed by the same interests and ideas as their counterparts in Northern cities. It is, however, too soon to tell whether this is the first step in a larger realignment that will bring a genuine two-party system into being. It will be longer still before there are reliable indications of whether the power of the state will be used actively in the public interest.

Only then will it be possible to measure the extent to which the region has freed itself of the domination of outside interests. Too often Southerners have used Wall Street as a whipping boy, charging that the source of all evils was the national corporations which control their great enterprises. Some dividends and profits still flow north, but the Gulf cities receive in return valuable loans of capital and skill. The relationship is disadvantageous only when it obscures the true interests of the people and perverts public policy on behalf of the outsiders and of their local allies. As the gains of industrialization spread through the population, they open the promise, or at least the hope, that these relationships will increasingly advance the well-being of the whole society.

Once before in Southern history the factory seemed the way to salvation. In the closing decades of Reconstruction, the hopeful men of the upper South turned also to the machine. "We are a new

people. Our land has had a new birth," they then exclaimed as the "magic transformation" of industry replaced despair with "the buoyance of hope, of courage, of resolve." But that New South faded into inglorious poverty. The steel and textile and tobacco factories brought forth only the squalid slums of Atlanta and Birmingham.

The first New South failed because it could not cope with the problems it inherited from its past. Race, Bourbon politics, and the inequalities of a colonial economic order brought these hopes to nought.

The forces that corrupted that New South are still at work. Their effect may still be seen in Alabama, Louisiana, and Texas, and they yet threaten to deprive the region of the full enjoyment of its prosperity.

Now the matchless industrial resources of the Gulf cities offer the South a second chance. Will it have the human resources to grasp the opportunity?